

CONSOLIDATED FUND OF THE CHURCH FOUNDATION
Financial Statements
December 31, 2025 and 2024
With Independent Auditor's Report

Consolidated Fund of The Church Foundation
Table of Contents
December 31, 2025 and 2024

Independent Auditor's Report	1-2
Financial Statements	
Statements of Assets and Liabilities	3
Statements of Operations	4
Statements of Changes in Net Assets	5
Schedules of Investments	6-7
Notes to Financial Statements	8-11

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
The Church Foundation:

Opinion

We have audited the financial statements of the Consolidated Fund of The Church Foundation, which comprise the statements of assets and liabilities, including the schedules of investments, as of December 31, 2025 and 2024, and the related statements of operations and changes in net assets for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the assets and liabilities of the Consolidated Fund of The Church Foundation as of December 31, 2025 and 2024, and the results of its operations and the changes in its net assets for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Consolidated Fund of The Church Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Consolidated Fund of The Church Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consolidated Fund of the Church Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Consolidated Fund of The Church Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Withum Smith & Brown, PC

June 23, 2026

Consolidated Fund of The Church Foundation
Statements of Assets and Liabilities
December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Assets		
Investments		
(Cost of \$148,342,149 in 2025 and \$136,318,572 in 2024)	\$ 168,305,618	\$ 150,022,027
Dividends receivable	<u>278,557</u>	<u>199,733</u>
 Total assets	 <u>\$ 168,584,175</u>	 <u>\$ 150,221,760</u>
 Liabilities and Net Assets		
Liabilities	\$ -	\$ -
Net assets		
(Equivalent to \$249.77 per unit based upon 674,939		
units outstanding in 2025.		
Equivalent to \$227.52 per unit based upon 660,267		
units outstanding in 2024.)	<u>168,584,175</u>	<u>150,221,760</u>
 Total liabilities and net assets	 <u>\$ 168,584,175</u>	 <u>\$ 150,221,760</u>

The Notes to Financial Statements are an integral part of these statements.

Consolidated Fund of The Church Foundation
Statements of Operations
Years Ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Investment income		
Income		
Interest and dividends	\$ 12,255,998	\$ 8,575,741
Expenses		
Administration fees	<u>486,821</u>	<u>469,781</u>
Net investment income	<u>11,769,177</u>	<u>8,105,960</u>
Realized and unrealized gain on investments		
Net realized gain on investments	3,222,344	5,161,901
Net unrealized gain on investments	<u>6,260,014</u>	<u>1,970,193</u>
Net realized and unrealized gain on investments	<u>9,482,358</u>	<u>7,132,094</u>
Net change in net assets resulting from operations	<u>\$ 21,251,535</u>	<u>\$ 15,238,054</u>

The Notes to Financial Statements are an integral part of these statements.

Consolidated Fund of The Church Foundation
Statements of Changes in Net Assets
Years Ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Operations		
Net investment income	\$ 11,769,177	\$ 8,105,960
Net realized and unrealized gain on investments	<u>9,482,358</u>	<u>7,132,094</u>
Net change in net assets resulting from operations	<u>21,251,535</u>	<u>15,238,054</u>
Distributions to participants	<u>(6,922,525)</u>	<u>(7,124,210)</u>
Capital transactions		
Proceeds from units issued	8,295,837	1,059,556
Payments for units redeemed	<u>(4,262,432)</u>	<u>(9,527,867)</u>
Net change in net assets from capital transactions	<u>4,033,405</u>	<u>(8,468,311)</u>
Total change in net assets	18,362,415	(354,467)
Net assets		
Beginning of year	<u>150,221,760</u>	<u>150,576,227</u>
End of year	<u>\$ 168,584,175</u>	<u>\$ 150,221,760</u>
A summary of unit transactions is as follows		
Units issued	36,843	7,268
Units redeemed	<u>(22,161)</u>	<u>(46,924)</u>
	14,682	(39,656)
Units outstanding		
Beginning of year	<u>660,267</u>	<u>699,923</u>
End of year	<u>674,949</u>	<u>660,267</u>

The Notes to Financial Statements are an integral part of these statements.

Consolidated Fund of The Church Foundation
Schedule of Investments
December 31, 2025

<u>Shares</u>	<u>Asset Name *</u>	<u>Cost</u>	<u>Fair Value</u>
<u>Mutual Funds: 99.8% (as a % of net assets)</u>			
<u>Money Market - 1.8%</u>			
240,280	Federated Money Market Obligations	\$ 240,280	\$ 240,280
2,871,240	T. Rowe Price US Treasury Money Fund	2,871,240	2,871,240
		<u>3,111,520</u>	<u>3,111,520</u>
<u>Domestic Equity - 48.2%</u>			
243,113	T. Rowe Price Hedged Equity Fund	3,348,727	3,170,190
222,300	T. Rowe Price Institutional Large Cap Growth Fund	9,794,665	18,888,804
850,839	T. Rowe Price Institutional Large Cap Value Fund	17,094,810	19,484,210
71,734	T. Rowe Price Institutional Mid Cap Equity Growth Fund	3,873,149	3,717,254
111,024	T. Rowe Price Institutional Mid-Cap Value Fund	3,222,849	3,560,524
294,885	T. Rowe Price Institutional Small Cap Stock Fund	6,541,149	7,189,287
439,606	T. Rowe Price Real Assets Fund	5,701,979	7,653,535
409,180	T. Rowe Price US Large Cap Core Fund	12,763,923	17,590,661
		<u>62,341,251</u>	<u>81,254,465</u>
<u>International Equity - 20.0%</u>			
618,770	T. Rowe Price International Stock Fund	10,456,192	12,919,922
113,695	T. Rowe Price Emerging Markets Stock Fund	4,439,667	5,069,669
667,330	T. Rowe Price International Value Equity Fund	9,479,929	15,702,272
		<u>24,375,788</u>	<u>33,691,863</u>
<u>Fixed Income - 29.8%</u>			
344,202	T. Rowe Price Dynamic Credit Fund	3,055,772	3,028,982
870,306	T. Rowe Price Dynamic Global Bond Fund	7,083,246	6,579,514
4,815,080	T. Rowe Price Total Return Fund	48,374,572	40,639,274
		<u>58,513,590</u>	<u>50,247,770</u>
	TOTAL INVESTMENTS	<u>\$ 148,342,149</u>	<u>\$ 168,305,618</u>

* All securities are based in the United States of America.

The Notes to Financial Statements are an integral part of this statement.

Consolidated Fund of The Church Foundation
Schedule of Investments
December 31, 2024

<u>Shares</u>	<u>Asset Name *</u>	<u>Cost</u>	<u>Fair Value</u>
<u>Mutual Funds: 99.9% (as a % of net assets)</u>			
<u>Money Market - 0.6%</u>			
116,463	Federated Money Market Obligations	\$ 116,463	\$ 116,463
850,568	T. Rowe Price US Treasury Money Fund	850,568	850,568
		<u>967,031</u>	<u>967,031</u>
<u>Domestic Equity - 48.8%</u>			
62,744	T. Rowe Price Institutional Mid Cap Equity Growth Fund	3,398,532	3,793,528
772,627	T. Rowe Price Institutional Large Cap Value Fund	15,173,074	17,855,421
238,267	T. Rowe Price Institutional Small Cap Stock Fund	5,100,423	5,928,072
210,564	T. Rowe Price Institutional Large Cap Growth Fund	7,376,719	17,323,060
111,904	T. Rowe Price Institutional Mid-Cap Value Fund	3,217,446	3,563,033
485,303	T. Rowe Price Real Assets Fund	6,158,201	6,726,298
439,796	T. Rowe Price US Large Cap Core Fund	13,296,620	18,066,839
		<u>53,721,015</u>	<u>73,256,251</u>
<u>International Equity - 18.9%</u>			
597,378	T. Rowe Price International Stock Fund	9,652,018	11,583,169
128,719	T. Rowe Price Emerging Markets Stock Fund	5,063,627	4,363,587
736,007	T. Rowe Price International Value Equity Fund	10,193,643	12,372,272
		<u>24,909,288</u>	<u>28,319,028</u>
<u>Fixed Income - 31.6%</u>			
4,609,337	T. Rowe Price Total Return Fund	46,855,635	38,165,307
597,670	T. Rowe Price Dynamic Global Bond Fund	5,025,455	4,655,847
513,623	T. Rowe Price Multi Strategy Total Return Fund	4,840,148	4,658,563
		<u>56,721,238</u>	<u>47,479,717</u>
TOTAL INVESTMENTS		<u>\$ 136,318,572</u>	<u>\$ 150,022,027</u>

* All securities are based in the United States of America.

The Notes to Financial Statements are an integral part of this statement.

Consolidated Fund of The Church Foundation
Notes to Financial Statements
December 31, 2025 and 2024

1. NATURE OF OPERATIONS

The Consolidated Fund of The Church Foundation (the "Consolidated Fund") provides a diversified investment medium for trusts of which The Church Foundation is trustee. The Consolidated Fund is also made available as an investment medium for the Diocese of Pennsylvania of the Episcopal Church of the United States of America (the "Diocese"), its parishes and other related institutions. The Church Foundation is a Pennsylvania nonprofit corporation. Both The Church Foundation and the Consolidated Fund are exempt from income taxes.

The purpose of the Consolidated Fund is to provide for the current and future funding of the participant organizations. Therefore, the primary objective of its investment policy is to maximize long-term financial returns consistent with the goal of providing current income and preserving purchasing power over time. The intent is to achieve this objective while minimizing the amount of risk and not engaging in any investment activities generally considered imprudent.

Any institution canonically connected with the Diocese may invest in the Consolidated Fund. As a matter of policy of The Church Foundation, absent special circumstances, all endowments for which The Church Foundation serves as legal trustee are invested in the Consolidated Fund. The Church Foundation serves as legal trustee for the majority of accounts in the Consolidated Fund.

For all accounts for which The Church Foundation serves as legal trustee, as well as the accounts of other participants so electing, income is distributed based on the provisions of Pennsylvania law at 20 Pa. C. S. Section 8113 (often referred to as "Act 141"). A variant of the "total return" concept of trust income distribution, Act 141, as implemented by the Board of Directors of The Church Foundation, allows for the selection each year of a "spending rate" percentage, which is applied to the mean average for the past 12 quarters of the value of the account balance of each participant.

In the case of participant accounts for which The Church Foundation is not legal trustee, the participant may choose its own spending rate or, alternatively, may elect to receive distributions equal to the actual cash income.

The Consolidated Fund calculates a monthly unit value which is used for pricing purchases and redemptions of units.

2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by the Consolidated Fund. These policies are in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The Consolidated Fund qualifies as an investment company under the provisions outlined in Accounting Standards Codification ("ASC") 946, *Financial Services - Investment Companies*.

Cash Equivalents

Cash equivalents consist of demand deposits with original terms to maturity of not more than three months. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant changes in value.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements in accordance with U.S. GAAP. Those estimates and assumptions affect the reported amounts of assets, liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates. Significant estimates include the fair value of investments.

Consolidated Fund of The Church Foundation
Notes to Financial Statements
December 31, 2025 and 2024

Valuation of Investments

Investments are presented at fair value based upon Level 1 inputs as described below. The values of securities listed on a national securities exchange are based on the last quoted sale prices for such securities. Securities traded on the over-the-counter market and listed securities for which no sale was reported are valued at the mean of the bid and ask prices.

Investments are exposed to market and credit risks. Due to the level of risk associated with such investments, and the level of uncertainty related to the changes in the value of such investments, it is at least reasonably possible that changes in the near term would materially affect investment balances and the amounts reported in the financial statements.

Investment Transactions and Related Investment Income

Investment transactions are accounted for on the trade date net of brokerage fees. The cost of investments sold is determined on the specific identification basis. Interest income is recorded on the accrual basis and dividend income is recorded on the ex-dividend date.

Fair Value Measurements of Assets and Liabilities

U.S. GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date. U.S. GAAP establishes a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Consolidated Fund. Unobservable inputs reflect the Consolidated Fund's assumptions about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Consolidated Fund has the ability to access.

Level 2 - Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability and inputs that are derived principally from observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Mutual Funds: Valued at quoted prices for identical assets or liabilities in active markets that the Consolidated Fund has the ability to access. These are classified as Level 1.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Consolidated Fund believes its valuation methods are appropriate and consistent, the use of different methodologies and assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Consolidated Fund of The Church Foundation
Notes to Financial Statements
December 31, 2025 and 2024

Capital Transactions

Notice for purchases or redemptions must be given by the 25th of each month. Proceeds from redemptions will be available for disbursement no later than the tenth business day following month-end. There are no lock up restrictions and no required minimums for purchases or redemptions (although a minimum investment of \$2,000 is recommended).

Distributions to Participants

Distributions were based on a spending rate of 4.25% and 4.15% for 2025 and 2024, respectively, for participant accounts for which The Church Foundation serves as legal trustee (representing the majority of accounts). Distributions are made quarterly in March, June, September, and December.

3. NET INVESTMENT INCOME

Quarterly valuations of the units in the Consolidated Fund and investment income were as follows for 2025 and 2024:

2025				
Quarter Ended	Unit Value	Income Per Unit	Number of Units	Net Investment Income
March 31, 2025	\$ 227.49	\$ 0.72	657,732	\$ 473,456
June 30, 2025	237.97	0.72	655,177	473,294
September 30, 2025	246.50	0.74	672,165	500,480
December 31, 2025	249.77	15.29	674,949	10,321,947
		<u>\$ 17.48</u>		<u>\$ 11,769,177</u>
2024				
Quarter Ended	Unit Value	Income Per Unit	Number of Units	Net Investment Income
March 31, 2024	\$ 224.99	\$ 0.60	698,582	\$ 416,875
June 30, 2024	225.04	0.74	693,717	515,059
September 30, 2024	234.83	0.71	688,638	487,641
December 31, 2024	227.52	10.12	660,267	6,686,385
		<u>\$ 12.17</u>		<u>\$ 8,105,960</u>

4. ADMINISTRATION FEE

The Consolidated Fund is administered by The Church Foundation which charges an administration fee. The administration fee is reviewed and set annually by the Board of Directors. The Church Foundation charged a fee of 0.32% and 0.30% to cover administrative and operational costs for the Consolidated Fund for 2025 and 2024, respectively.

Consolidated Fund of The Church Foundation
Notes to Financial Statements
December 31, 2025 and 2024

5. FINANCIAL HIGHLIGHTS

Operating performance for a unit outstanding for the years ended December 31, 2025 and 2024 were as follows:

	<u>2025</u>	<u>2024</u>
Net unit value, beginning of year	\$ 227.52	\$ 215.13
Net investment income	17.48	12.17
Net realized and unrealized gain	15.17	10.61
Total from operations	32.65	22.78
Distributions	(10.40)	(10.39)
Net unit value, end of year	\$ 249.77	\$ 227.52
Total return	14.35 %	10.66 %

The ratios of expenses to average net assets and net investment income to average net assets for the years ended December 31, 2025 and 2024 were as follows:

	<u>2025</u>	<u>2024</u>
Ratio of expenses to average net assets	0.31 %	0.30 %
Ratio of net investment income to average net assets	7.45 %	5.22 %

Total return is based on the assumption that distributions were reinvested in the Consolidated Fund at the time of distribution, in accordance with normal investment industry practice for this presentation. However, most distributions were actually paid to participants in cash each quarter.

In computing the ratio of expenses to average net assets, expenses consisted entirely of administrative fees of \$486,821 for 2025 and \$469,781 for 2024 paid to The Church Foundation.

The ratios of expenses and net investment income to average net assets do not reflect the expenses of the underlying mutual funds in which the Consolidated Fund invests.

Financial highlights are calculated for the Consolidated Fund taken as a whole. An individual constituent's ratios and returns may vary based on different administrative fee arrangements and the timing of capital transactions.

6. SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 23, 2026, the date on which the financial statements were available to be issued. No subsequent events have occurred that required recognition or disclosure in the financial statements.